STATE RISK MANAGEMENT WORKERS COMPENSATION FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2008

	January-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
		Allocation		Month		Allocation		Quarter		Allocation		Quarter				
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																
Structured Growth																
Los Angeles Capital	157,633	3.8%	4.2%	-9.31%	168,270	4.0%	4.2%	-1.50%	178,488	4.2%	4.2%	0.38%	-10.33%	21.84%	13.35%	N/A
Total Structured Growth	**157,633**	**3.8%**	**4.2%**	**-9.31%**	**168,270**	**4.0%**	**4.2%**	**-1.50%**	**178,488**	**4.2%**	**4.2%**	**0.38%**	**-10.33%**	**21.84%**	**13.35%**	**N/A**
Russell 1000 Growth				*-7.80%*				*-0.77%*				*4.21%*	*-4.65%*	*19.04%*	*8.70%*	
Structured Value																
LSV	**163,606**	**3.9%**	**4.2%**	**-3.79%**	**164,609**	**3.9%**	**4.2%**	**-5.53%**	**174,012**	**4.1%**	**4.2%**	**-0.89%**	**-9.92%**	**23.77%**	**19.00%**	**N/A**
Russell 1000 Value				*-4.01%*				*-5.80%*				*-0.24%*	*-9.79%*	*21.87%*	*15.93%*	
Russell 1000 Enhanced Index																
LA Capital	**317,839**	**7.6%**	**8.3%**	**-8.07%**	**334,706**	**7.9%**	**8.3%**	**-1.07%**	**355,332**	**8.3%**	**8.3%**	**0.24%**	**-8.83%**	**21.27%**	**13.46%**	**N/A**
Russell 1000				*-6.00%*				*-3.23%*				*1.98%*	*-7.23%*	*20.43%*	*12.34%*	
S&P 500 Enhanced Index																
Westridge	**364,667**	**8.7%**	**8.3%**	**-5.92%**	**375,122**	**8.8%**	**8.3%**	**-3.04%**	**393,799**	**9.2%**	**8.3%**	**2.18%**	**-6.79%**	**21.12%**	**11.98%**	**N/A**
S&P 500				*-6.00%*				*-3.33%*				*2.03%*	*-7.29%*	*20.59%*	*11.68%*	
Index																
State Street	97,848			-7.02%	101,822			-6.37%	107,905			-0.80%	-13.63%	21.82%	12.34%	N/A
Total 130/30	**97,848**	**2.3%**	**2.8%**	**-7.02%**	**101,822**	**2.4%**	**2.8%**	**-6.37%**	**107,905**	**2.5%**	**2.8%**	**-0.80%**	**-13.63%**	**21.82%**	**12.34%**	**N/A**
S&P 500				*-6.00%*				*-3.33%*				*2.03%*	*-7.29%*	*20.59%*	*11.68%*	
TOTAL LARGE CAP DOMESTIC EQUITY	***1,101,592***	***26.3%***	***27.8%***	***-6.84%***	***1,144,529***	***26.9%***	***27.8%***	***-2.89%***	***1,209,536***	***28.3%***	***27.8%***	***0.62%***	***-8.97%***	***21.86%***	***13.76%***	***N/A***
S&P 500				*-6.00%*				*-3.33%*				*2.03%*	*-7.29%*	*20.59%*	*11.68%*	
SMALL CAP DOMESTIC EQUITY																
Manager-of-Managers																
SEI	***187,494***	***4.5%***	***4.6%***	***-7.57%***	***189,088***	***4.4%***	***4.6%***	***-6.35%***	***196,668***	***4.6%***	***4.6%***	***-3.66%***	***-16.61%***	***18.39%***	**13.70%**	**N/A**
Russell 2000 + 200bp				*-6.65%*				*-4.09%*				*-2.60%*	*-12.80%*	*18.76%*	*15.72%*	
Enhanced																
Research Affiliates	***181,706***	***4.3%***	**4.6%**	**-5.26%**	***179,207***	***4.2%***	**4.6%**	**-7.00%**	***187,514***	***4.4%***	**4.6%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Russell 2000				*-6.82%*				*-4.58%*				*-3.09%*	*-13.83%*			
TOTAL SMALL CAP DOMESTIC EQUITY	***369,201***	***8.8%***	***9.3%***	***-6.44%***	***368,295***	***8.7%***	***9.3%***	***-6.67%***	***384,181***	***9.0%***	***9.3%***	***-4.98%***	***-17.03%***	***18.39%***	***13.70%***	***N/A***
Russell 2000				*-6.82%*				*-4.58%*				*-3.09%*	*-13.83%*	*16.44%*	*13.45%*	
DOMESTIC FIXED INCOME																
Core Bond																
Western Asset	**780,021**	**18.6%**	**18.6%**	**1.78%**	**783,933**	**18.4%**	**18.6%**	**1.63%**	**767,872**	**18.0%**	**18.6%**	**1.87%**	**5.37%**	**7.29%**	**4.44%**	**N/A**
Lehman Aggregate				*1.68%*				*3.00%*				*2.84%*	*7.71%*	*6.12%*	*3.98%*	
Mortgage Backed																
Hyperion	**208,003**	**5.0%**	**4.8%**	**0.58%**	**209,696**	**4.9%**	**4.8%**	**-1.00%**	**208,998**	**4.9%**	**4.8%**	**-1.78%**	**-2.20%**	**N/A**	**N/A**	**N/A**
Lehman Global Aggregate (US Securitized Portion)				*2.04%*				*3.15%*				*3.88%*	*9.34%*			
Core Plus/Enhanced																
Clifton Group	229,035	5.5%	4.8%	2.46%	228,531	5.4%	4.8%	3.99%	216,802	5.1%	4.8%	4.41%	11.25%	5.52%	N/A	N/A
Prudential	216,477	5.2%	4.8%	0.98%	219,115	5.2%	4.8%	2.45%	211,043	4.9%	4.8%	1.95%	5.47%	N/A	N/A	N/A
Total Core Plus/Enhanced	**445,511**	**10.6%**	**9.6%**	**1.73%**	**447,646**	**10.5%**	**9.6%**	**3.23%**	**427,844**	**10.0%**	**9.6%**	**3.18%**	**8.37%**	**5.95%**	**N/A**	**N/A**
Lehman Aggregate				1.68%				3.00%				2.84%	7.71%	6.12%		
Index																
Bank of ND	**391,193**	**9.3%**	**8.4%**	**1.99%**	**392,161**	**9.2%**	**8.4%**	**3.04%**	**382,236**	**9.0%**	**8.4%**	**3.09%**	**8.35%**	**5.45%**	**2.92%**	**N/A**
Lehman Gov/Credit (1)				*1.90%*				*3.10%*				*3.01%*	*8.22%*	*6.00%*	*3.04%*	
BBB Average Quality																
Wells Capital (formerly Strong)	**767,805**	**18.3%**	**18.6%**	**1.07%**	**777,171**	**18.3%**	**18.6%**	**1.98%**	**757,684**	**17.8%**	**18.6%**	**1.48%**	**4.60%**	**7.93%**	**4.86%**	**N/A**
Lehman US Credit BAA				*0.38%*				*1.90%*				*1.67%*	*3.99%*	*7.54%*	*4.47%*	
TOTAL DOMESTIC FIXED INCOME	***2,592,533***	***61.8%***	***60.0%***	***1.50%***	***2,610,607***	***61.4%***	***60.0%***	***2.00%***	***2,544,634***	***59.6%***	***60.0%***	***1.84%***	**5.43%**	**7.11%**	***3.89%***	***N/A***
Lehman Aggregate (2)				*1.68%*				*3.00%*				*2.84%*	*7.71%*	*6.12%*	*4.13%*	
CASH EQUIVALENTS																
Bank of ND	***129,061***	***3.1%***	***3.0%***	***0.29%***	***129,556***	***3.0%***	***3.0%***	***0.96%***	***128,219***	***3.0%***	***3.0%***	***1.24%***	***2.51%***	***5.36%***	***4.10%***	***N/A***
90 Day T-Bill				*0.50%*				*1.05%*				*1.34%*	*2.92%*	*5.21%*	*3.78%*	
TOTAL RISK MANAGEMENT FUND	**4,192,386**	**100.0%**	**100.0%**	**-1.47%**	**4,252,986**	**100.0%**	**100.0%**	**-0.17%**	**4,266,570**	**100.0%**	**100.0%**	**0.81%**	**-0.84%**	**12.18%**	**7.04%**	**N/A**
POLICY TARGET BENCHMARK				*-1.27%*				*0.49%*				*2.05%*	*1.25%*	*10.97%*	*6.74%*	

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.
(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.